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Tennessee Regulatory Authority
ON-SITE SYSTEMS, INC.
A PUBLIC UTILITY CO. PM 3 51

OFFICE OF THE
EXECUTIVE SECRETARY

August 28, 2001

Mr. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

RE: Petition to amend Certificate of Convenience and Necessity

Dear Mr. Waddell:

01-00756

On-Site Systems Inc. desires to expand its service area to include an area known as Lyles Texaco (approximately 2.7 acres of record in Hickman County, Tennessee, Tax Map 21, Parcel 24). The attached Petition is in support of our request.

Sincerely,



Charles Pickney, Jr., President
On-Site Systems, Inc.

7638 River Road Pike Nashville TN 37209-5733
(615) 356-7294 Fax (615) 356-7295

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

_____, 2001

**IN RE: PETITION OF ON-SITE SYSTEMS, INC. TO AMEND ITS
CERTIFICATE OF CONVENIENCE AND NECESSITY**

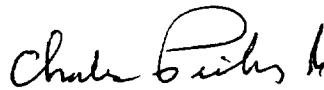
DOCKET No. _____

Petition of On-Site Systems, Inc.
To amend its Certificate of Convenience and Necessity

On-Site Systems, Inc. ("On-Site") petitions the Tennessee Regulatory Authority ("TRA") to amend On-Site's Certificate of Convenience and Necessity to expand its service area to include a portion of Hickman County, described as Map 21, Parcel 24. The property for this commercial development, presently known as Lyles Texaco, will serve a gas station that has food service. At present, the Bon Aqua-Lyles Utility District (water supplier for this area) nor the County of Hickman has the desire or ability to provide sewer service to this area. (See attached letters.)

The proposed service area comprised of approximately 2.7 acres is shown in Exhibit A.

Respectfully submitted,



Charles Pickney Jr., President
On-Site Systems, Inc.

Tariff Rate Sheet

Commercial Sewer Rates – with food service

The monthly sewer charge per customer is based on the design daily flow expected from the type of establishment being served. A minimum of \$100 per month will be charged for up to the first 300 gallons per day of design flow expected. (Except off-site which will have a \$94.00 minimum plus pass through costs.) For each additional 100 gallons per day of design flow expected, up to a total of 1,000 gallons per day, an additional charge of \$18.00 per month per 100 gallons will be levied. For design flows expected over 1,000 gallons per day, up to 3,000 gallons per day, the following monthly charges per 1,000 gallons of daily flow will apply.

Disposal

<u>Treatment</u>	<u>Drip Irrigation</u>	<u>Point Discharge</u>	<u>Off Site</u>
	<u>Sand-Gravel Filter</u>	\$170.00	\$192.00
	<u>Lagoon</u>	\$142.00	\$163.00
	<u>* Off Site</u>	N/A	N/A
			Pass through costs & \$94.00

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$142.00 per 1000 gallons of daily flow.

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

Excess water usage	Surcharge
1 gallon to 1,000 gallons above expected design flow	\$210.00
1,001 gallons to 2,000 gallons above expected design flow	\$220.00
Over 2,000 gallons above expected design flow	\$220.00/1000 gallons

If the water meter readings exceed the design flow for any three consecutive months, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system will be paid by the customer.

* Off Site means treatment and disposal by another entity such as a city or utility district

Fees: Nonpayment – 5%
Disconnection - \$10
Reconnection - \$15
Returned Check - \$20

Tariff Rate Sheet

Commercial Sewer Rates – with food service

PROPOSED

The monthly sewer charge per customer is based on the design daily flow expected from the type of establishment being served. A minimum of \$100 per month will be charged for up to the first 300 gallons per day of design flow expected. (Except off-site which will have a \$94.00 minimum plus pass through costs.) For each additional 100 gallons per day of design flow expected, up to a total of 1,000 gallons per day, an additional charge of \$18.00 per month per 100 gallons will be levied. For design flows expected over 1,000 gallons per day, up to 3,000 gallons per day, the following monthly charges per 1,000 gallons of daily flow will apply.

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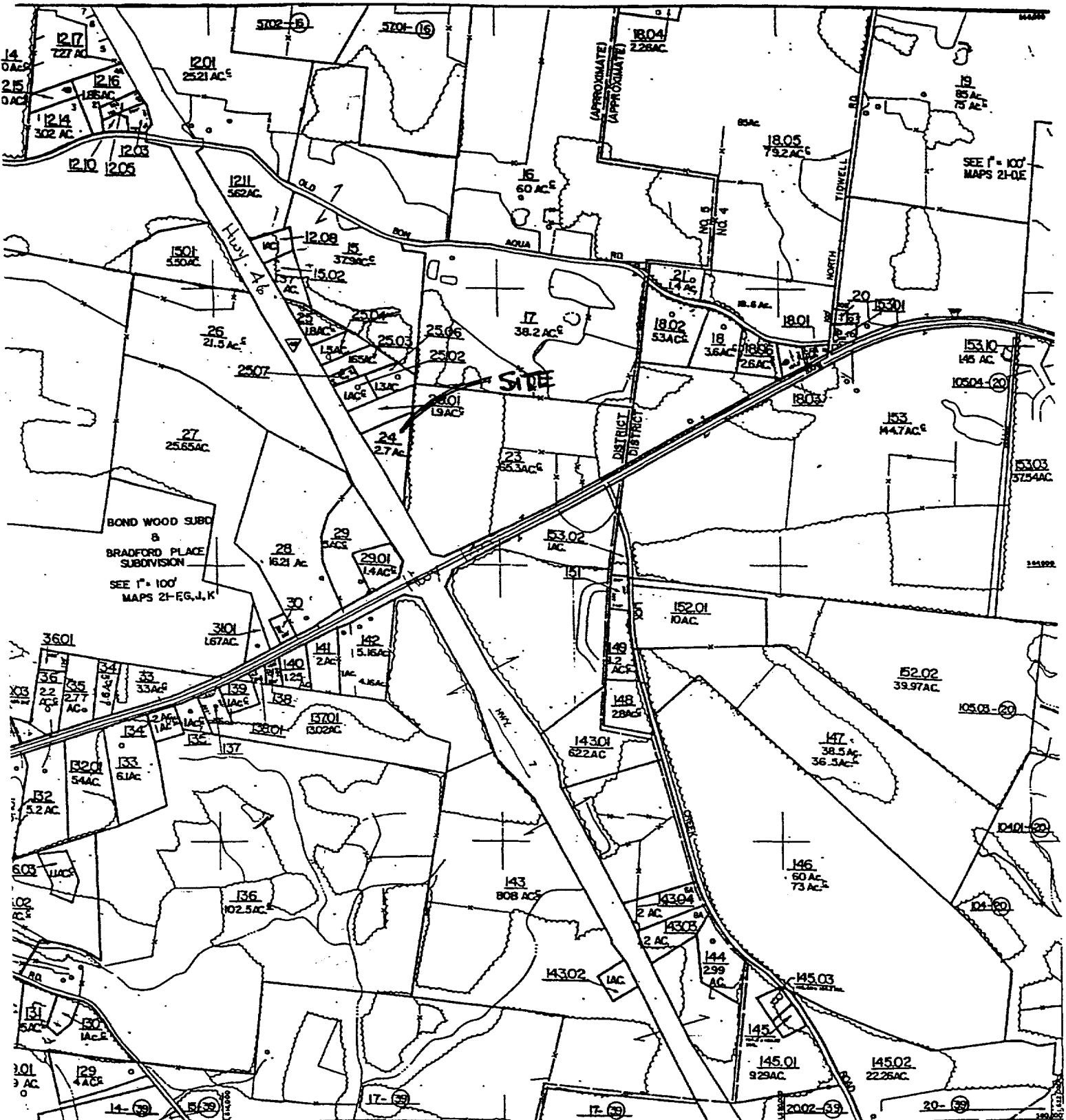
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Exhibit A



HICKMAN COUNTY, TENN.

MIDDLE GRAND DIVISION

MAP #

SCALE: 1" = 400'

DISTRICT: 4 & 5

21

— REVISIONS —

1.1.75	6.2.78	7.78
2.1.76	7.78	8.3.00
3.7.76	12.7.76	12.7.76

HICKMAN COUNTY GOVERNMENT
OFFICE OF COUNTY EXECUTIVE
#5, HICKMAN COUNTY COURTHOUSE
CENTERVILLE, TENNESSEE 37033
(931) 729-2492

June 25, 2001

Mr. Charles Pickney, Jr., P.E.
On-Site Systems, Inc.
7638 River Road Pike
Nashville, Tennessee 37209

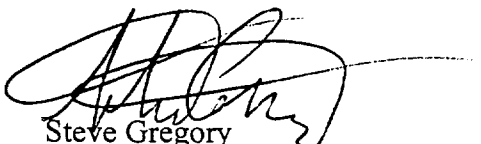
Dear Mr. Pickney:

I am in receipt of your letter of June 14 requesting Hickman County to provide sewer service to the Lyles community of our county. The specific area you mentioned is along State Route 46 which is fast becoming a major thoroughfare through the area. And, with State Route 840 soon to open, the need for sewer and other services will most assuredly escalate.

Over the last two years Hickman County has actively been pursuing all known available avenues to address the growing need for sewer service in that area. Unfortunately, while several possible alternatives have been identified, the costs involved them is extreme and funding has not become available.

I do appreciate your concern on this matter and solicit any ideas you may have with respect to funding sources and ways to help offset the initial capital outlay such a project would entail. Please let me know if I can supply you with any additional information or if you should have further questions pertaining to this or any other Hickman County service.

Sincerely,



Steve Gregory
Hickman County Executive



BON AQUA-LYLES UTILITY DISTRICT

Gordon Young, President
Doug Worley, Vice President

P.O. BOX 35
LYLES, TENNESSEE 37098
(931) 670-3957

Wilson Greer, Sect.-Treasurer
Bud Jenkins, Manager

August 2, 2001

Mr. Charles Pickney, Jr., P.E.
On-Site Systems Inc.
7638 River Road Pike
Nashville, Tn. 37209-5733


Dear Mr. Pickney:

This will acknowledge your letter requesting that the Bon Aqua Lyles Utility District provide sewer service in Lyles, Tn., Map 21, Parcel 24.

Please be advised that the Bon Aqua Lyles Utility District does not and has no plans to provide sewer service to the above mentioned location.

If we can be of any further assistance, please advise.

Sincerely,


James R. Jenkins
District Manager

JRJ/ja